

THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

**DEPARTMENT OF
TELECOMMUNICATIONS & ENERGY**

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November 24, 2003

Stephen Klionsky
Western Massachusetts Electric Company
101 Federal Street, 13th Floor
Boston, MA 02110

Re: Western Massachusetts Electric Company , D.T.E. 03-82

Dear Mr. Klionsky:

Enclosed please find the Department of Telecommunications and Energy's First Set of Information Requests to Western Massachusetts Electric Company ("WMECO" or "the Company") issued in the above-captioned matter. Please submit the Company's responses before, Tuesday, December 2 at 12:00 P.M.

Thank you for your attention in this matter.

Sincerely,

Elizabeth A. Cellucci
Hearing Officer

Enc.

cc: Mary Cottrell, Secretary
Joseph Rogers, Office of the Attorney General

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

FIRST SET OF INFORMATION REQUESTS OF
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY
TO WESTERN MASSACHUSETTS ELECTRIC COMPANY
D.T.E. 03-82

Pursuant to 220 C.M.R. § 1.06 (6)(c), the Department of Telecommunications and Energy ("Department") submits to Western Massachusetts Electric Company, or "WMECO", or "the Company", the following Information Requests:

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate three-hole punched page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Please do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn, and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.
5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If the Company finds that any one of these requests is ambiguous, please notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department; also submit one (1) copy of the response to: (1) Elizabeth Cellucci, Hearing Officer; (2) Kevin Brannelly, Rates and Revenues Division; (2) Paul Osborne, Rates and Revenues Division; (3) Joe Passaggio, Rates and Revenues Division (4) Jim Powell, Rates and Revenues Division; (5) Yvette Begue, Legal Division.
8. Responses are due by 12:00 p.m., Tuesday, December 2, 2003.

- DTE 1-1 Refer to page 1 of Exhibit JRC-1. Does the amount \$1,924,000 appearing on line 21 also represent the cost to customers of the proposed refinancing?
- DTE 1-2 Please refer to page 4 of 5, line 44 (d) of Exhibit JRC-1. Please provide the derivation of the income tax amount of \$957,000.
- DTE 1-3 Refer to page 4 of 5, Column (b), line 46 of Exhibit JRC-1. Please provide the derivation of the \$6,160,000 TC deferral, excluding carrying costs.
- DTE 1-4 Refer to page 4 of 5, Column (d), line 50 of Exhibit JRC-1. Please explain why the \$759,000 amount was subtracted from the \$5,523,000 appearing in the previous column in developing the operating loss of \$4,764,000.
- DTE 1-5 Refer to pages 5-6 of the pre-filed testimony of Randy A. Shoop. For purposes of addressing the Company's inappropriate capitalization ratio, could the Company impute a capital structure in the Company's next rate case, rather than refinance the PSNF liability? Please discuss the advantages and disadvantages of the two alternatives.
- DTE 1-6 Refer to page 7 of the Shoop testimony. Please provide the Company's return on equity for 2001 and 2002, and the projected return for 2003.
- DTE 1-7 Refer to page 7 of the Shoop testimony. Please provide the equity ratio upon which current rates are based.
- DTE 1-8 Refer to page 5 of the pre-filed testimony of Jeffrey R. Cahoon. Does the Company have any plans to file its next base rate case?
- DTE 1-9 Refer to page 5 of the Cahoon testimony and page 1 of Exhibit JRC-1. Please discuss the propriety of imputing the projected \$1 million of savings to customers resulting from the lower cost of capital into the calculation appearing on page 1 of Exhibit JRC-1.
- DTE 1-10 Refer to page 7 of the Cahoon testimony. Does the Company intend to reduce the transition charge revenues that would otherwise be collected from customers by the \$1.9 million of pre-tax savings?